

EXECUTIVE OFFICE OF THE PRESIDENT

BUDGET OF THE BUDGET  
Washington 25, D. C.

July 28, 1960

Dear Mr. Dulles:

I am pleased to inform you of Bureau of the Budget concurrence in the July 20 version of your draft [ ] on "Separation Compensation." This latest revision is responsive to our objections raised at an earlier meeting.

Although the regulations relating to this separation program properly contain no limitations as to its applicability, I think it only wise and prudent that some restrictions be imposed. In the absence of controls, a continuing temptation exists to use the program's authority in lieu of the hard decisions which every agency faces in terminating non-productive personnel. Accordingly, I am asking that you limit the total number of separatees under the program to a total [ ] during FY 1961-1962, and that thereafter the ceiling be held [ ] annually. It is my further request that you provide the Bureau of the Budget with an annual report on the conduct of the program.

I hope this meets with your satisfaction.

Sincerely yours,

Deputy Director

REFERENCE

Honorable Allen W. Dulles  
Director of Central Intelligence  
Central Intelligence Agency  
Washington 25, D. C.

C O P Y

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62-7243

*Scand*  
Honorable David E. Bell  
Director  
Bureau of the Budget  
Washington 25, D.C.

Dear Mr. Bell:

This is in response to your request for this Agency's views on the Enrolled Bill, H.R. 11732, to amend section 305 of the Communications Act of 1934, as amended.

The complex problems which have resulted in the submission of H.R. 11732 and of similar proposals in the previous Congresses have received the closest study by this Agency for several years. We believe the establishment of reciprocal communication rights is necessary and have so advised the Bureau in the past.

Approval of the bill, H.R. 11732, is recommended.

Faithfully yours,

Marshall S. Carter  
Lieutenant General, USA  
Deputy Director

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OGC/LC/GLC:jmd (4 Oct 62)

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*✓*  
Honorable David E. Bell  
Director  
Bureau of the Budget  
Washington 25, D. C.

Dear Mr. Bell:

This is to advise that hearings were held in executive session before the full House Armed Services Committee on 28 August 1962 with respect to H. R. 12923. This bill was introduced by Mr. Vinson on 16 August 1962 following advice from the Bureau of the Budget by letter dated 13 August 1962 to the Agency that there would be no objection to presentation of the draft legislation to the Congress.

The Committee appeared to be sympathetic to the objectives of the proposed legislation but there was some question concerning the format of the proposed bill as it related to incorporation by reference of other legislation. As a consequence, the Chairman requested the Agency, as a drafting service, to assist the Committee by drawing a bill which would stand on its own merits. Such a bill has been drafted and forwarded to the Committee in accordance with their request. A copy of that draft and the letter transmitting it are enclosed.

Acting on the Chairman's request, it was our intent in drafting the attached bill to accomplish the same objectives as the bill previously presented to the Bureau of the Budget, now H. R. 12923. Title II of the new draft bill pertaining to retirement is almost 100 per cent taken verbatim from the retirement sections of the Foreign Service Act of 1946, as amended. Necessarily, there was adaptation such as use of the word "Director" in lieu of "secretary," etc. Also, in certain sections of Title II there was a conversion from FSO classes to GS Grades based on provisions contained in the President's Proposal for Reform of Federal Statutory Salary Systems.

*B/Budget*

In the new draft bill there are several provisions in the travel and allowances field. These provisions are based on existing Foreign Service authorities and inclusion simply brings Agency legislation up to date in this regard.

I have reviewed the points discussed in the Bureau of the Budget letter of 13 August 1962 and wish to assure you that the agreements referred to remain fully acceptable to the Agency.

Faithfully yours,

(Signed) Marshall S. Carter  
Marshall S. Carter  
Lieutenant General, USA  
Acting Director

Enclosures - 2

OGC/LC:JSW:mks (31 Aug 62)

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Remarks: Attached is a proposed letter to Mr. Bell advising him of the hearings on H. R. 12923 and enclosing a copy of the revised bill. A copy of the letter of transmittal to Vinson is also attached. I have used the words "requested by Mr. Vinson as a drafting service" since these are the words in published BOB procedures which permit agencies to present legislation without prior clearance. Those procedures, however, do require a copy of the transmittal letter and the bill to be forwarded to BOB.

Recommend signature.

[Redacted Signature Box]

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